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APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
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EXAMINER

SUBRAMANIAN, NARAYANSWAMY

ART UNIT PAPER NUMBER

3624

DATE MAILED: 12/30/2003

Please find below and/or attached an Office communication concerning this application or proceeding.

Office Action Summary

Applicati n N .

09/597,742

Applicant(s)

BETTIS ET AL.

Examiner

Narayanswamy Subramanian

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-- The MAILING DATE of this communication appears on the cover sheet with the correspond nce address --

Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If the period for reply specified above is less than thirty (30) days, a reply within the statutory minimum of thirty (30) days will be considered timely.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133).
- Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

Status

- 1) ☒ Responsive to communication(s) filed on 09 October 2003.
- 2a) ☐ This action is **FINAL**. 2b) ☒ This action is non-final.
- 3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

Disposition of Claims

- 4) ☒ Claim(s) 1-130 is/are pending in the application.
- 4a) Of the above claim(s) 1-20, 40-127 and 129 is/are withdrawn from consideration.
- 5) ☐ Claim(s) _____ is/are allowed.
- 6) ☒ Claim(s) 21-39, 128 and 130 is/are rejected.
- 7) ☐ Claim(s) _____ is/are objected to.
- 8) ☐ Claim(s) _____ are subject to restriction and/or election requirement.

Application Papers

- 9) ☐ The specification is objected to by the Examiner.
- 10) ☐ The drawing(s) filed on _____ is/are: a) ☐ accepted or b) ☐ objected to by the Examiner.
- Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).
- Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).
- 11) ☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

Priority under 35 U.S.C. §§ 119 and 120

- 12) ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
- a) ☐ All b) ☐ Some * c) ☐ None of:
1. ☐ Certified copies of the priority documents have been received.
 2. ☐ Certified copies of the priority documents have been received in Application No. _____.
 3. ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).
- * See the attached detailed Office action for a list of the certified copies not received.
- 13) ☒ Acknowledgment is made of a claim for domestic priority under 35 U.S.C. § 119(e) (to a provisional application) since a specific reference was included in the first sentence of the specification or in an Application Data Sheet. 37 CFR 1.78.
- a) ☐ The translation of the foreign language provisional application has been received.
- 14) ☐ Acknowledgment is made of a claim for domestic priority under 35 U.S.C. §§ 120 and/or 121 since a specific reference was included in the first sentence of the specification or in an Application Data Sheet. 37 CFR 1.78.

Attachment(s)

- 1) ☐ Notice of References Cited (PTO-892)
- 2) ☐ Notice of Draftsperson's Patent Drawing Review (PTO-948)
- 3) ☐ Information Disclosure Statement(s) (PTO-1449) Paper No(s) _____.
- 4) ☐ Interview Summary (PTO-413) Paper No(s). _____.
- 5) ☐ Notice of Informal Patent Application (PTO-152)
- 6) ☐ Other: _____.

DETAILED ACTION

1. This office action is in response to communication from the Applicants dated October 9, 2003. The Examiner acknowledges provisional election of claims 21-39, 128 and 130 by the Applicants. Claims 1-20, 40-127 and 129 are withdrawn from further consideration by the examiner, 37 CFR 1.142(b), as being drawn to a non-elected invention. Applicant is respectfully advised to cancel the non-elected claims in response to this office action. Elected Claims 21-39, 128 and 130 are pending in this application and have been examined. The rejections are stated below.

Claim Rejections - 35 USC § 112

3. The following is a quotation of the second paragraph of 35 U.S.C. 112:

The specification shall conclude with one or more claims particularly pointing out and distinctly claiming the subject matter, which the applicant regards as his invention.

4. Claim 31 is rejected under 35 U.S.C. 112, second paragraph, as being indefinite for failing to particularly point out and distinctly claim the subject matter which applicant regards as the invention. For claim 31, the limitation "other investment entity and the like" is vague and unclear. Clarification is required.

Claim Rejections - 35 USC § 101

5. The claimed invention is directed to non-statutory subject matter. Claims 21, 128 and 130 are drawn to methods and system for use in producing a ranked list of investors according to an evaluation of the investors' performances relating to at least one transaction made by the investors involving investments associated with the investors that is not tied to any technological art. The claimed invention is directed merely to human making mental computations and manually plotting results on paper, and thus is nothing more than an abstract idea, which is not

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ted to any technological art, and is not a useful art as contemplated by the constitution. The abstract idea does not become a technological art merely by the recitation in the claim of “transforming physical media into a chart” and “physically plotting a point on said chart”. (See Ex parte Bowman, 61 USPQ2d 1669, 1671 (Bd. Pat. App. & Inter. 2001) (Unpublished)) Similarly dependent claims 22, 23, 25, 26, 29-37 and 39 depend on claim 21 and are not tied to any technological art.

Claim Rejections - 35 USC § 103

6. The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

(a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negated by the manner in which the invention was made.

7. Claims 21-39, 128 and 130 are rejected under 35 U.S.C. 103(a) as being unpatentable over Fox (US Patent 5,132,899).

With reference to claims 21, 128 and 130, Fox teaches methods and a system for use in producing a ranked list of investors according to an evaluation of the investors' performances relating to at least one transaction made by the investors involving investments associated with the investors, said method comprising the steps of: retrieving a list of investors (See Fox Column2 lines 41-52 and Claim 1); generating an evaluation list by removing investors failing to meet predetermined criteria from said list (See Fox Column2 lines 41-52 and Claim 1); calculating a performance score for each investor listed on said evaluation list indicative of the investor's performance by considering an average historical performance of an investment

following a transaction by the investor and a historical consistency of the investor's performances with respect to transactions involving the at least one investment (See Fox Column2 lines 41-52 and Claim 1); and calculating, for each investor using said performance scores, a third data indicative of the investor's relative performance with respect to all investors on said evaluation list (See Fox Column2 line 41- Column3 line 32, and Claims 1, 3, 4 and 6). Selectively generating a subset of managers based on predetermined criteria implies the step of generating an evaluation list by removing investors failing to meet predetermined criteria, the rate of return is a performance score and the beta and third data relating to a plurality of financial characteristics include the step of a final transaction score indicative of the investor's relative performance with respect to all investors on said evaluation list.

Fox does not explicitly teach the step wherein the performance score considers the number of transactions made by the investor.

Official notice is taken that the step wherein the performance score considers the number of transactions made by the investor is old and well known in the art. For an actively managed portfolio, the rate of return will based on all the transactions made during the period under consideration and will usually have a higher transaction cost compared to a passively managed portfolio. Ignoring the transaction cost will tend to overstate the performance of actively managed portfolios.

It would have been obvious to one with ordinary skill in the art at the time of the current invention to combine the step wherein the performance score considers the number of transactions made by the investor to the teaching of Fox. The combination of the disclosures

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taken as a whole suggests that users will benefit from the accurate computation of performance scores that considers the number of transactions made by the investor.

With reference to claims 22-31 and 38, the steps listed in these claims are either disclosed by Fox or are well known in the art. For instance the steps of ranking and sorting by rank are old and well known and help the user identify and determine the best or worst performers based on the ranking criteria and the order in which the rankings are sorted. Hence if these steps are not already taught by Fox, it would have been obvious to one with ordinary skill in the art at the time of the current invention to include these steps to the teaching of Fox. The combination of the disclosures taken as a whole suggests that decision makers would have benefited from the further refinements to the decision-making made by including these steps.

With reference to claims 32-37 and 39, Fox discloses a method of claim 21 as discussed above. Fox does not explicitly disclose the steps of calculating the specific performance scores and related statistics listed in these claims. However these steps are well known statistical techniques used in evaluating and ranking a variable to help users in their decision-making. Hence it would have been obvious to one with ordinary skill in the art at the time of the current invention to include these steps to the teaching of Fox. The combination of the disclosures taken as a whole suggests that decision makers would have benefited from the refined objective inputs available to the decision maker by using these techniques.

Conclusion

8. Any inquiry concerning this communication or earlier communications from the examiner should be directed to Dr. Narayanswamy Subramanian whose telephone number is

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(703) 305-4878. The examiner can normally be reached Monday-Thursday from 8:30 AM to 7:00 PM.

If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, Vincent Millin can be reached at (703) 308-1065. The fax number for Formal or Official faxes and Draft or Informal faxes to the Patent Office is (703) 872-9306.

Any inquiry of a general nature or relating to the status of this application should be directed to the Group receptionist whose telephone number is (703) 308-1113.

N. Subramanian
December 25, 2003

Richard Weisberger
Primary Examiner

